

NEWS RELEASE

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HOUSE PASSES \$500 MILLION SUPPLEMENTAL BUDGET

Education spending remains top priority; tax cut measures still in play

HONOLULU. Members of the House of Representatives today passed a \$500,572,076 supplemental budget reflecting the House's top priority -- public education. The highlights of House Bill 1900, House Draft 1, include a total of \$366,879,197 for the Department of Education, and a total of \$158,779,050 for the University of Hawaii System.

Other House priorities include funding for battling invasive species, defense and public safety, health and human services, renewable energy initiatives, and housing and the homeless.

Finance Committee Chair, Rep. Dwight Takamine, presented the budget overview, and emphasized that the budget draft is based on the Council on Revenues December projections. Going forward, budget discussions will be based on the latest March projections, just released on March 6th, which indicate that the state may have another \$50-60 million to add to the surplus.

Chair Takamine also clarified that there are separate bills on various tax cut proposals that members will be discussing, as well as measures still alive from last year's conference committees. The House remains open to these proposals in balance with all other requests and that the issue should not be framed by pitting tax cuts against education, housing or other critical needs.

Education

"The Finance Committee and the Ways and Means Committee dedicated many hours traveling to various schools and colleges on all islands," said Rep. Takamine in his floor speech.

"The message we heard was loud and clear -- please fix our schools. The Governor asked for only \$40 million for this purpose. This is not enough. Our children deserve better. We can't expect our children to learn if the roof is about to fall on their heads," said Rep. Takamine.

Toward that end, the House has put \$160 million into the budget for classroom and whole school renovation, and another \$75 million for major repair and maintenance. Other highlights of the DOE budget include \$20 million to assist with the transition to the Weighted Student Formula and \$17 million for special education needs.

"In the course of our statewide visits, we found that our community college and university system was suffering from a very similar problem – decaying infrastructure," continued Rep. Takamine. "The Governor only provided \$10 million to address the infrastructure and critical repair needs of the entire UH system. Again, this is not enough."

The House put in \$84 million in cash and bonds for UH repair and maintenance. Other highlights of the UH budget include \$2.9 million for financial aid, \$2.6 million for nursing initiatives, \$1.9 million for Native Hawaiian initiatives, \$1.4 million for a college of pharmacy at UH Hilo, \$4.7 million for a construction industry academy, \$3 million for the John A. Burns School of Medicine, and \$1 million for the Cancer Research Center.

HB1900, H.D.1, is a supplemental budget for Fiscal Year '07. It proposes to add \$500 million to the existing Fiscal Year '07 budget that was passed last session. The total state budget for Fiscal Year '07 is about \$9.6 billion.

HIGHLIGHTS OF THE HOUSE BUDGET

Department of Education – Total: \$366,879,197

\$160 million	Classroom and whole school renovations
\$50 million	Major repairs and maintenance
\$24.3 million	Conversion to single school calendar
\$20 million	Transition to Weighted Student Formula
\$17.3 million	Special education needs, including autism and medically fragile
\$5 million	Information technology
\$2.4 million	Debit cards for 12,000 schoolteachers
\$2 million	Science textbooks
\$1.2 million	English as a Second Language learners
\$500,000	Advanced Placement teacher training to support high achievers

University of Hawaii System – Total: \$158,779,050

\$84 million	Repair and maintenance
\$4.7 million	Construction industry academy
\$3 million	John A. Burns School of Medicine
\$2.9 million	Financial aid
\$2.6 million	School of Nursing initiatives
\$1.9 million	Native Hawaiian initiatives
\$1.4 million	School of Pharmacy, UH – Hilo

Invasive Species

\$2 million	Coqui frog control, eradication, and public education
\$953,412	17 positions for inspectors at harbors and airports

Defense and Public Safety

\$50 million	Federal funds for homeland security and disaster preparedness
\$10 million	Retrofitting and hardening of buildings
\$11.7 million	Transporting inmates to mainland facilities

Health and Human Services

\$24 million	Increased enrollment in QUEST
\$7.6 million	Dental services for low-income residents
\$2 million	Rural hospitals

Energy

\$10 million	Renewable energy initiatives in all state buildings
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Housing and Homeless

\$20 million	Homeless shelters and services
\$20 million	Estimated additional revenue for Rental Housing Trust Fund
\$10.4 million	Repair and maintenance of vacant units for public housing projects

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